



City of Wheatland

111 C Street

Wheatland, California

95692

TELEPHONE (530) 633-2761

FAX (530) 633-9102

February 24, 2010

Lakemont Overland Crossing, LLC
c/o Lakemont Communities
1504 Eureka Road, Ste. 160
Roseville, CA 95630

Lakemont Overland Crossing, LLC
c/o Lakemont Communities
140 Diamond Creek Place
Roseville, CA 95747

Re: Jones Ranch Development Agreement: City of Wheatland's **Notice of Intent to Terminate Development Agreement**

To Whom It May Concern:

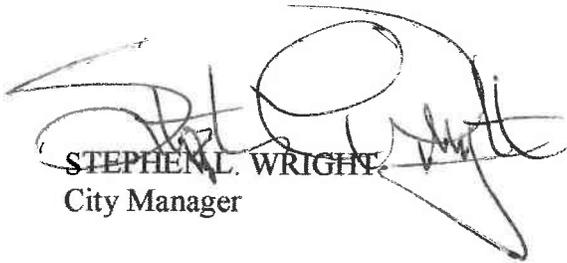
Pursuant to Government Code sections 65864 through 65869.5, Chapter 17.49 of the Wheatland Municipal Code (Ordinance No. 330) and section 5.1.2 of the Development Agreement between the City of Wheatland ("City") and Lakemont Overland Crossing, LLC ("Lakemont") for the Jones Ranch Development, as amended, (the "Development Agreement"), this letter constitutes the City's Notice of Intent to Terminate the Development Agreement.

The real property that would be affected by the termination of the Development Agreement is the property owned by Lakemont and that is described in the property description for the Jones Ranch Development Agreement, which is attached hereto.

If the City terminates the Development Agreement, the termination would provide that: (1) the City shall retain Lakemont's advance sewer capacity payments; (2) the advance payment amount stays with the property that would have been subject to the Development Agreement as a credit toward sewer connection charges that may be due upon future development of that property; (3) the property would no longer have long-term sewer connection rights (i.e., sewer capacity will be determined by the conditions prevailing at the time of development and application for connection); (4) if another developer in the City is ready and willing and able to utilize the sewer capacity and enter into an agreement with the City and pay the same sewer connection charge advances that were paid by Lakemont, then the City would collect the sewer connection charge advance payment from, and transfer Lakemont's sewer units to, the other developer; and (5) if the City is able to transfer the sewer units to another developer, then, upon payment of the advance by the other developer, the City would refund to Lakemont its sewer connection charge advances (without interest).

The City Council will hold a public hearing to consider terminating the Lakemont's Development Agreement on March 9, 2010 at 6:00 p.m. at the Wheatland Community Center, which is located at 101 C Street, Wheatland, California. The City Council will review and consider evidence presented to it before and at this hearing.

Sincerely,



STEPHEN L. WRIGHT
City Manager

Description of Property
**JONES RANCH- LEGAL DESCRIPTION
ANNEXATION TO
THE CITY OF WHEATLAND**

A portion of the southeasterly quarter and the southwesterly quarter of Section 9, as shown on the Plat of the Johnson Rancho, filed in Book 29 of Surveys, at Page 4, Official Records of Yuba County, together with Lots 24, 25, 26, 27, 32, and the 'A Riechers Lot', as shown on the Plat of Oakley Homestead Tract, filed in Book 1 of Surveys, at Page 35, Official Records of Yuba County, in the County of Yuba, State of California, described as follows:

BEGINNING at a point which is the west quarter corner of said Section 12, also being the east quarter corner of said Section 9; thence from the True Point of Beginning, along the following twenty-one (21) courses and distances:

- 1) South 26°00'44" East, a distance of 1880.86 feet;
- 2) thence South 64° 11' 13" West, a distance of 2652.33 feet;
- 3) thence South 25° 52' 51" East, a distance of 16.49 feet;
- 4) thence South 40° 51' 36" West, a distance of 334.02 feet;
- 5) thence South 66° 55' 24" West, a distance of 202.76 feet;
- 6) thence South 42° 03' 12" West, a distance of 212.45 feet;
- 7) thence South 65° 20' 18" West, a distance of 166.82 feet;
- 8) thence North 66° 05' 17" West, a distance of 399.39 feet;
- 9) thence North 46° 19' 38" West, a distance of 282.44 feet;
- 10)thence North 56° 33' 23" West, a distance of 84.79 feet;
- 11)thence North 46° 33' 38" West, a distance of 198.29 feet;
- 12)thence North 82° 29' 24" West, a distance of 525.94 feet;
- 13)thence North 17° 50' 02" West, a distance of 115.12 feet;
- 14)thence North 40° 44' 50" West, a distance of 159.10 feet;
- 15)thence North 56° 22' 23" West, a distance of 333.65 feet;
- 16)thence North 71° 44' 17" West, a distance of 213.70 feet;
- 17)thence North 81° 20' 23" West, a distance of 510.61 feet;
- 18)thence North 25° 31' 51" West, a distance of 20.00 feet to the northerly right-of-way line of Wheatland Road;
- 19)thence North 64° 28' 09" East, a distance of 2549.83 feet;

Description of Property

- 20)thence along the centerline of Oakley Lane, North 25° 52' 51" West, a distance of 10.00 feet to the intersection of said centerline with the westerly prolongation of the northerly right-of-way line of Wheatland Road;
- 21)thence along said northerly right-of-way line, North 64° 11' 14" East, a distance of 2647.94 feet to a point on the existing City Limits; thence along said existing City Limits, (22) South 26° 00' 44" East, a distance of 30.00 feet to the east quarter corner of said Section 9, also being the Point of Beginning.

Containing 193.775 acres, more or less.

Basis of Bearings for this description is the centerline of Wheatland Road as shown on Parcel Map No. 5.47, filed in Book 19 of Maps, at Page 36, in said County. Said line is taken to bear North 64° 11' 14" East.

END OF DESCRIPTION

Douglas R. Owyang P.L.S. 6046
Expires June 30, 2005



City of Wheatland

111 C Street Wheatland, California 95692

TELEPHONE (530) 633-2761
FAX (530) 633-9102

February 24, 2010

Mr. Brian Cutting
Mr. John Stewart
Wheatland Heritage Oaks, LLC
111 Woodmere Drive, Suite 190
Folsom, CA 95630

Mr. Brian Cutting
Mr. John Stewart
Wheatland Heritage Oaks, LLC
8205 Sierra College Boulevard, Ste. 100
Roseville, CA 95661

Mr. Milo Terzich
Premier Homes
8205 Sierra College Boulevard, Ste. 100
Roseville, CA 95661

Re: Wheatland Heritage Oaks Estates Development Agreement: City of Wheatland's Notice of Intent to Terminate Development Agreement

Gentlemen:

Pursuant to Government Code sections 65864 through 65869.5, Chapter 17.49 of the Wheatland Municipal Code (Ordinance No. 330) and section 5.1.2 of the Development Agreement between the City of Wheatland ("City") and Wheatland Heritage Oaks, LLC ("Heritage Oaks") for the Heritage Oaks Estates Development, as amended, (the "Development Agreement"), this letter constitutes the City's Notice of Intent to Terminate the Development Agreement.

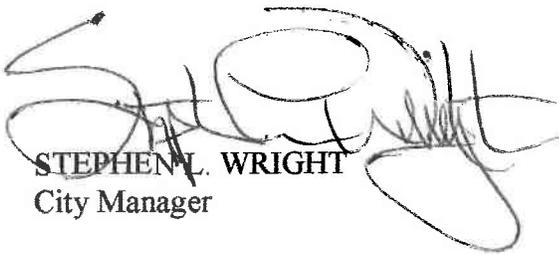
The real property that would be affected by the termination of the Development Agreement is the property owned by Heritage Oaks and that is described in the property description for the Heritage Oaks Estates Development Agreement, which is attached hereto.

If the City terminates the Development Agreement, the termination would provide that: (1) the City shall retain Heritage Oaks' advance sewer capacity payments; (2) the advance payment amount stays with the property that would have been subject to the Development Agreement as a credit toward sewer connection charges that may be due upon future

development of that property; (3) the property would no longer have long-term sewer connection rights (i.e., sewer capacity will be determined by the conditions prevailing at the time of development and application for connection); (4) if another developer in the City is ready and willing and able to utilize the sewer capacity and enter into an agreement with the City and pay the same sewer connection charge advances that were paid by Heritage Oaks, then the City would collect the sewer connection charge advance payment from, and transfer Heritage Oaks' sewer units to, the other developer; and (5) if the City is able to transfer the sewer units to another developer, then, upon payment of the advance by the other developer, the City would refund to Heritage Oaks its sewer connection charge advances (without interest).

The City Council will hold a public hearing to consider terminating the Heritage Oaks Development Agreement on March 9, 2010 at 6:00 p.m. at the Wheatland Community Center, which is located at 101 C Street, Wheatland, California. The City Council will review and consider evidence presented to it before and at this hearing.

Sincerely,



STEPHEN L. WRIGHT
City Manager

DESCRIPTION TO ACCOMPANY A.L.T.A. DESCRIPTION FOR PREMIER HOMES.

All that real property situate in the County of Yuba and County of Placer being portions of Sections 11 and 12 of the Johnson Rancho as shown on the map thereof on file in the Office of the Recorder of Yuba County and portions of Sections 3, 4, 9 and 10, Township 13 North, Range 5 East, M.D.M. described as follows:

Beginning at the southerly terminus of Malone Street, City of Wheatland, said point also being a point on the southerly boundary of the City of Wheatland marked by a PK nail with L.S. 3341 tag shown on Parcel Map 83-34 filed in Book 47 of Maps at page 23, Yuba County Records, thence along said City of Wheatland southerly boundary North 24°37'33" East 22.97 feet; thence leaving said city boundary and along the boundary of the parcel of land described in deed to the City of Wheatland recorded in Book 460 of Official Records at page 225, South 33°53'18" east 37.87 feet; thence North 54°19'27" East 40.00 feet; thence North 35°40'33" West 60.00 feet to a point on said southerly boundary of the City of Wheatland; thence along said southerly boundary North 24°37'33" East 308.05 feet to a ½" rebar, L.S. 4208 as shown in said Book 47 of Maps at page 23, marking the intersection of said southerly boundary of the City of Wheatland with the westerly boundary of State Highway 65; Thence along said westerly boundary and along a curve having a radius of 2050 feet, a central angle of 13°30'01", the chord of which bears South 69°33'40" East 481.91 feet and an arc distance of 483.03 feet to the end of said curve; thence South 76°18'40" East 243.70 feet to the beginning of a curve to the right having a radius of 1820.35 feet, and a central angle of 22°39'00"; thence along the arc of said curve a distance of 719.62 feet; thence South 53°44'18" East 1569.92 feet; thence South 50°13'42" east 496.87 feet; thence South 49°57'47" East 654.63 feet to the beginning of a curve to the left having a radius of 6000.00 feet, and a central angle of 3°58'45"; thence along the arc of said curve a distance of 416.70 feet; thence South 53°56'32" East 100.78 feet; thence South 53°56'32" East 100.78 feet; thence South 53°56'32" East 621.91 feet; thence South 54°21'07" East 178.88 feet to a point in the Yuba-Placer County line; thence South 54°21'07" East 446.11 feet, more or less, to a point on the southerly boundary of said Section 3; thence leaving said State Highway 65 boundary and along the southerly boundary of said Section 3, South 88°35'26" West 678.25 feet to a point on the Yuba-Placer County Line; thence continuing South 88°35'26" West 1849.82 feet to a point on the boundary of the parcel of the land described in deed to the City of Wheatland recorded in Book 732 of Official Records of Sutter County at page 580; thence along said boundary North 15°42'05" West 119.16 feet; thence South 74°17'45" West 372.43 feet; thence South 27°07'45" East 51.50 feet; thence South 40°19'24" East 214.44 feet; thence South 00°17'49" West 41.10 feet; thence South 88°41'40" West 41.10 feet; thence South 88°41'40" West 9.14 feet to a point in the center of Old Sacramento Road No. 329 (now abandoned). Thence northwesterly along the center line of Old Sacramento Road No. 329, North 35°40'19" West 2055.93 feet; thence leaving said center line South 54°53'37" West 959.97 feet to a 2" pipe marking the southwest corner of the

parcel of land formerly owned by Charles E. Stevenson et. ux and recorded in Book 544 of Official Records at page 112, Yuba County Records, said pipe also being on the North-South centerline of Section 11 of the Johnson Rancho; thence along said centerline North 25°51'31" West 1453.41 feet to a point on the southerly boundary of the City of Wheatland; thence along said southerly boundary North 29°13'49" East 279.80 feet; thence North 27°35'49" East 304.22 feet to a point on the southerly boundary of the parcel of land described in deed recorded in Book 138 of Yuba County Official Records at page 67, and shown on Record of Survey No. 93-10 filed in Book 62 of Maps at page 19, Yuba County Records; thence along said southerly boundary North 53°11'37" East 187.16 feet to a point in the centerline of the Old Sacramento Road; thence along said centerline North 35°40'19" West 181.48 feet, more or less, to said point of beginning.

File



City of Wheatland

111 C Street

Wheatland, California

95692

TELEPHONE (530) 633-2761

FAX (530) 633-9102

February 24, 2010

Mr. Ronald Scott
Trivest Land Co., Inc.
950 Tharp Road, Suite 202
Yuba City, CA 95993

Re: Heritage Oaks Estates-East Development Agreement: City of Wheatland's **Notice of Intent to Terminate Development Agreement**

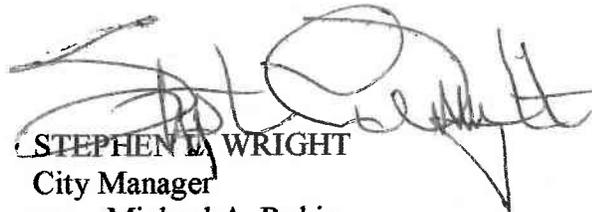
Dear Mr. Scott:

Pursuant to Government Code sections 65864 through 65869.5, Chapter 17.49 of the Wheatland Municipal Code (Ordinance No. 330) and section 5.1.2 of the Development Agreement between the City of Wheatland ("City") and Trivest Land Company, Inc. ("Trivest") for the Heritage Oaks Estates-East, as amended, (the "Development Agreement"), this letter constitutes the City's Notice of Intent to Terminate the Development Agreement. The default that supports termination of the Development Agreement is set forth in the City's Notice of Default letter dated December 9, 2009.

The real property that would be affected by the termination of the Development Agreement is the property owned by Trivest that is included within the property description for the Heritage Oaks Estates Development Agreement, which is attached hereto.

The City Council will hold a public hearing to consider terminating the Development Agreement on March 9, 2010 at 6:00 p.m. at the Wheatland Community Center, which is located at 101 C Street, Wheatland, California. The City Council will review and consider evidence presented to it before and at this hearing.

Sincerely,



STEPHEN L. WRIGHT
City Manager

cc: Michael A. Rubin
Hefner, Stark & Marois
2150 River Plaza Drive, Ste. 450
Sacramento, CA 95833

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All that real property situate in the County of Yuba and County of Placer being portions of Sections 11 and 12 of the Johnson Rancho as shown on the map thereof on file in the Office of the Recorder of Yuba County and portions of Sections 3, 4, 9 and 10, Township 13 North, Range 5 East, M.D.M. described as follows:

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